Duty concession for the production of Ampicillin Sodium Sterile

770. SHRIMATI SATYA BAHIN: Will the PRIME MINISTER be pleased to state:

(a) what are duty concessions which have been given on the inputs used for the production of Ampicillin Sodium Sterile;

(b) what is the quantum of these concessions per unit of production;

(c) whether it is a fact that a number of instances of overcharging of prices of Ampicillin Sodium Sterile and formulations based on this drug have come to the notice of this Ministry;

(d) if so, the details thereof;

(e) what are the names of units whose cost was studied by BICP and on what basis the price of this drug was fixed;

(f) what is the indigenous price and what is the landed cost of import of this drug; and

(g) what is the quantity of this drug exported by each unit?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) The production of Ampicillin Sodium Sterile is being undertaken from Ampicillin Tryhydrate which is produced indigenously.

(c) and (d) No, Sir.

(e) The BICP studied the cost structure of M/s Pace Laboratories Limited, Bombay.

(f) The indigenous price of Ampicillin Sodium Sterile is Rs. 2941/- per kg. At the time of BICP study the c.i.f. cost of this drug was Rs. 1882/- per kg. The custom duty was levied on this drug @ 105%.

(g) Company-wise exports of drugs are not monitored.

Drug Price Control Order, 1979

771. SHRI ANANT RAM JAISWAL: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that DPCO, 1979 was based on Hathi Committee Report;

(b) what were the reasons to change Drugs Price Control Order, 1979;

(c) whether it is a fact that Drugs Price Control Order, 1987 is based on the measures announced in 1986;

(d) whether it is a fact that a number of measures announced in 1986 have not been incorporated in DPCO, 1987; and

(e) if so, the details thereof and steps taken so far?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) DPCO, 1979 was based on the decisions taken by the Government on Hathi Committee Report.

(b) to (e) DPCO, 1987 is based on measures announced in 1986 wherein the basic approach towards pricing has been laid down in conformity with the principle of selectivity recommended by the Hathi Committee. Almost all measures announced in 1986 in regard to pricing have been incorporated in DPCO, 1987.

Amount paid to Indian Drugs and Pharmaceutical Ltd., and Hindustan Antibiotics Limited

772. HRI ANANT RAM JAISWAL: Will the PRIME MINISTER be pleased to state:

(a) what was the amount paid to IDPL and HAL during 1986-87, 1987-88 and 1988-89 from DPEA:

(b) whether it is a fact that these companies have been paid excess amount;

(c) what was the amount due to each and what was excess paid amount;

(d) whether it is a fact that his Ministry have assessed liability against each of these companies;

(e) if so, upto what period and what was the liability assessed in favour of each; and

(f) what is the balance amount recoverable from these units on 30th June, 1991?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) During the three years period of 1986—89, the aggregate of the payments made to IDPL and HAL from DPEA, was about Rs. 5 crores and 1.32 crores respectively.

(b) to (f) The account is being scrutinised and the information will be laid on the Table of the House, as soon as possible.

Exemption of finished medicines from price control

773. SHRI ANANT RAM JAISWAL: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that finished medicines sold under generic name are exempted from price control;

(b) whether it is also a fact that no excise duty is levied on such medicines;

(c) whether it is also a fact that a number of these finished medicines are being sold at higher prices than identical products which are branded and price controlled;

(d) if so, names of such products; and

(e) what are the reasons therefor and what steps have been taken to rectify?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir. Single ingredient formulations based on the bulk drugs specified in the second schedule & sold under generic name and all single ingredient vitamin formulations containing individual vitamins specified in the Second Schedule sold either in brand name or in generic name, except the single ingredient vitamin formulations based on the bulk drugs Vit. 'A' and Vit. 'C' sold in brand name, are exempt from price control.

(b) Yes, Sir.

(c) to (e) Manufacturers of price decontrolled formulations are free to charge their own price. However, Government intervene in cases where the prices appear to be abnormally high.

Exemption of small scale units from control order

774. SHRI ANANT RAM JAISWAL: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that small scale units are exempted from price control order irrespective of sales turn over:

(b) what are the names of small scale units whose sales turn over per annum is more than 10 crores and what is the turn over of each during the last three years, year-wise;

(c) whether it is a fact that price Area Order has been reduced under DPCO, 1987;

(d) whether it is also a fact that small scale sector having turn over of more than Rupees Fifty lacs was under price control under earlier DPCO;

(e) if so, what are the basis under which this sector has been price-decontrolled;

(f) whether it is also a fact that most of large units have set up small units to avoid price control; and

(g) if so, what are the names of large units who have set up small scale units?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir, small scale sector units are exempt from the price control in respect